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Attorneys for Receiver
10 **ROBB EVANS**

11 **UNITED STATES DISTRICT COURT**
12 **DISTRICT OF NEVADA**
13

14 **FEDERAL TRADE COMMISSION,**

15 **Plaintiff,**

16 **v.**

17 **EQUINOX INTERNATIONAL**
18 **CORP., et al.,**

19 **Defendants.**
20
21
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23
24

CASE NO. CV-S-99-0969-KJD (PAL)

**NOTICE OF MOTION AND
MOTION FOR APPROVAL OF
SETTLEMENT AGREEMENT BY
AND AMONG THE U.S.
DEPARTMENT OF JUSTICE, ON
BEHALF OF THE INTERNAL
REVENUE SERVICE, THE
FEDERAL TRADE COMMISSION,
BILL GOULDD, AND THE
RECEIVER; MEMORANDUM OF
POINTS AND AUTHORITIES AND
DECLARATION OF KENTON
JOHNSON IN SUPPORT THEREOF**

**DATE: December 15, 2006
TIME: 9:00 A.M.
PLACE: Courtroom 6D**

25
26 **TO: ALL PARTIES TO THIS ACTION, THEIR ATTORNEYS OF**
27 **RECORD, AND ALL OTHER PARTIES IN INTEREST:**
28

1 PLEASE TAKE NOTICE that on December 15, 2006, at 9:00 a.m., or as
2 soon thereafter as counsel may be heard in Courtroom 6D of the above-entitled
3 Court, located at 333 South Las Vegas Boulevard, Las Vegas, NV 89101, Robb
4 Evans, as Receiver of Equinox International Corporation, Advanced Marketing
5 Seminars, Inc. and BG Enterprises, Inc., and Related Entities as defined in the
6 Order Preliminarily Approving Stipulated Final Judgment and Class Action
7 Settlement and Setting Fairness Hearing entered April 20, 2000 ("Permanent
8 Receivership Order") and over various assets as set forth in the Permanent
9 Receivership Order (hereinafter Robb Evans is referred to as the "Receiver") will
10 and does hereby move the Court for an order approving the Settlement Agreement
11 by and among the U.S. Department of Justice, on behalf of the Internal Revenue
12 Service, the Federal Trade Commission, Bill Gould, and the Receiver. As
13 specified in the Settlement Agreement, Exhibit 1 hereto, the Internal Revenue
14 Service has proposed the assessment of certain federal tax liabilities against certain
15 of the receivership entities and Bill Gould. These proposed tax liabilities will be
16 resolved pursuant to the terms of the Settlement Agreement in exchange for a
17 payment by the Receiver from the receivership estate of \$1 million to the Internal
18 Revenue Service.

19 By this motion, the Receiver seeks the Court's approval of the Settlement
20 Agreement and an order authorizing the Receiver to perform all acts necessary or
21 convenient for the Receiver to obtain the benefits and perform all obligations under
22 the Settlement Agreement.

23 This motion is made and based upon this Notice of Motion and Motion, the
24 Memorandum of Points and Authorities and accompanying Declaration of Kenton
25 Johnson, and on such further oral and documentary evidence as may be presented at
26 or before the time of the hearing on this motion. The motion is further made upon
27 the grounds that the Settlement Agreement is reasonable, fair and equitable, and in
28 the best interests of the receivership estate.

1 PLEASE TAKE FURTHER NOTICE pursuant to Local Rule 7-2(b) that any
2 party objecting to the Motion must, within 15 days of service of this Notice of
3 Motion and Motion, serve and file a written response to be considered by the Court.
4

5 Dated: November 27, 2006

MCKENNA LONG & ALDRIDGE LLP
GARY OWEN CARIS
LESLEY ANNE HAWES

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8 By: 
9 Gary Owen Caris

10 Attorneys for Receiver
11 ROBB EVANS
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MEMORANDUM OF POINTS AND AUTHORITIES

I. INTRODUCTION

By this Motion, the Receiver seeks an order approving the Settlement Agreement by and among the U.S. Department of Justice (“DOJ”), on behalf of the Internal Revenue Service (“IRS”), the Federal Trade Commission (“FTC”), Bill Gould (“Gould”) and the Receiver.

As summarized below and more particularly set forth in the Settlement Agreement, Exhibit 1 hereto, the DOJ, on behalf of the IRS, the FTC, Gould and the Receiver have agreed to resolve the IRS’s proposed assessment of certain federal tax liabilities against certain of the receivership entities in the face amount of \$12,088,682.58 for \$1 million. The Receiver believes that this Settlement Agreement is fair and equitable and represents a beneficial result for the receivership estate. This Settlement Agreement enables the Receiver to fully and finally resolve the IRS claims in the estate for only 8.3% of the face amount of the claims, resolves any potential obligation of the Receiver to indemnify Gould in connection with the IRS claims, and enables the receivership estate to retain for distribution to claimants most of the approximately \$20 million on hand in the receivership estate.

II. STATEMENT OF FACTS

A. Background Summary

The FTC and the States of Hawaii, Maryland, Nevada, North Carolina, Pennsylvania and South Carolina commenced this action on August 3, 1999. On September 14, 1999, the Court entered an order partially granting plaintiffs’ motion for a preliminary injunction. On November 19, 1999, plaintiffs filed an amended complaint seeking a permanent injunction against Equinox International Corporation (“Equinox”), Gould, Advanced Marketing Seminars, Inc. and BG Management, Inc. and monetary redress for injuries suffered by current and former distributors of Equinox.

1 Previously, in January 1997, five individuals filed a lawsuit seeking damages
2 and equitable relief for all distributors who had joined Equinox prior to January 7,
3 1997. The lawsuit was certified as a class action in October 1997, and the
4 certification was upheld on appeal. In November 1999, the Court granted the class
5 representatives permission to intervene in the within action. In March 2000, notice
6 of the class action was mailed to persons who became Equinox distributors before
7 January 7, 1997.

8 On April 20, 2000, the Court entered its Order Preliminarily Approving
9 Stipulated Final Judgment and Class Action Settlement and Setting Fairness
10 Hearing ("Permanent Receivership Order"). Among other things, the Permanent
11 Receivership Order appointed Robb Evans as Receiver of Equinox, Advanced
12 Marketing Seminars, Inc., BG Management Services, Inc. and Related Entities as
13 defined in the Permanent Receivership Order and as receiver of certain assets of
14 Gould (collectively, the "Receivership Estate").

15 The IRS proposed the assessment of certain federal tax liabilities against
16 certain of the Receivership Entities and Gould. These proposed liabilities are set
17 forth in four proofs of claim submitted by the IRS to the Court on or about February
18 5, 2001 (the "Claims"). In the aggregate, the Claims describe nine different
19 asserted tax liabilities against various receivership entities and Gould for the tax
20 periods December 31, 1994 through December 31, 1997 in the aggregate face
21 amount of \$12,088,682.58.

22 At or about the time that these Claims were submitted to the Court, the
23 Receiver, the FTC and the IRS began discussing a potential resolution of the
24 Claims. These settlement discussions have spanned over 5 1/2 years. Early in the
25 discussions, it appeared appropriate to involve the DOJ in these negotiations given
26 the fact that two United States agencies were essentially competing for the same
27 pool of funds. The FTC's attorney successfully arranged for the DOJ to intervene
28 in the dispute. The DOJ became actively involved in negotiating and finalizing the

1 settlement. The Settlement Agreement has now been executed by all of the parties
2 thereto.

3 **B. The Terms of the Settlement Agreement**

4 After this extraordinarily lengthy negotiation, the DOJ, on behalf of the IRS,
5 the FTC, Gould and the Receiver entered into the Settlement Agreement, a true
6 and correct copy of which is attached hereto as Exhibit 1. Under the Settlement
7 Agreement, within thirty days of receipt of notice of the Court's approval of the
8 Settlement Agreement, the Receiver will pay \$1 million from the Receivership
9 Estate to the IRS in exchange for which the IRS: (a) will abate all taxes set forth in
10 the Claims; (b) will consider all such liabilities to be fully compromised, released
11 and discharged, including any associated penalties and interest; (c) will not consider
12 any portion of such liabilities to be unpaid; (d) will not make any further
13 adjustments or any claims with respect to any item of income, deduction, credit,
14 carry-forward or carryback, gain, basis, refund, loss or any other tax attributes to
15 the extent that such adjustments would affect the tax liability of the taxpayers for
16 the tax periods December 31, 1994 through December 31, 1997; and (e) will release
17 any liens securing such liabilities.

18 The Settlement Agreement further provides that the remaining assets of the
19 Receivership Estate will only be used to pay those expenses incurred by the
20 Receiver in administering the Receivership Estate, eligible creditors as determined
21 by the Court, and investors who suffered financial loss in connection with Equinox,
22 as determined by the Court.

23 This settlement represents a payment of only 8.3% of the face amount of the
24 IRS Claims in full settlement.¹

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28 ¹ Because the IRS contends that interest accrues on these Claims, the actual
settlement amount is for an even smaller percentage of the total Claims.

1 **III. THE TERMS OF THE AGREEMENT ARE REASONABLE, FAIR,**
 2 **EQUITABLE AND IN THE BEST INTERESTS OF THE**
 3 **RECEIVERSHIP ESTATE**

4 The “general equity power” of the District Court in issuing orders addressing
 5 the administration of a receivership estate is discussed at length by the Ninth
 6 Circuit in *SEC v. Hardy*, 803 F. 2nd 1034 (9th Cir. 1986). Recognizing the limited
 7 body of reported decisions in federal receiverships, the Court nevertheless
 8 articulated two overriding principles gleaned from the case law:

9 First, a court’s power to supervise an equity receivership
 10 and to determine the appropriate action to be taken in the
 11 administration of the receivership is extremely broad . . .
 12 the basis for broad deference to the District Court’s
 13 supervisory role in equity receiverships arises out of the
 14 fact that most receiverships involve multiple parties and
 15 complex transactions.

16 . . .

17 Secondly, we have acknowledged that a primary purpose
 18 of equity receiverships is to promote orderly and efficient
 19 administration of the estate by the District Court for the
 20 benefit of creditors. [Citations omitted.] Accordingly, we
 21 generally uphold reasonable procedures instituted by the
 22 District Court that serve this purpose. [Citations omitted.]
 23 *SEC v. Hardy*, 8, 803 F. 2nd 1037-1038. Accord *SEC v.*
 24 *Black*, 163 F. 3rd 188-199 (3rd Cir. 1998); *SEC v. Elliot*,
 25 953 F. 2nd 1560 (11th Cir. 1992).

1 The leading treatise on receivership law states:

2 The only justification for the compromise of claims is that
3 it is done for the best interests of the receivership and the
4 estate under the control and possession of the court.

5 3 *Clark on Receivers* § 655 (3d ed. 1959)

6 The court appointing a receiver must use its discretion in
7 determining whether it is for the best interests of the
8 estate that the receiver be authorized to compromise a
9 claim, and when the appointing court has not abused its
10 discretion in giving instructions to the receiver, its orders
11 will not be disturbed or reviewed in the appellate court.

12 3 *Clark on Receivers* § 770 (3d ed. 1959)

13 Pursuant to Local Rule 66-10, a receiver is directed to a receivership estate
14 “as nearly as may be in accordance with the practice in the administration of estates
15 in Chapter 11 bankruptcy cases.” Under Rule 9019 of the Federal Rules of
16 Bankruptcy Procedure, the court in a bankruptcy case may approve a proposed
17 compromise of controversies after notice and an opportunity for hearing. In
18 deciding whether to approve a proposed settlement, the bankruptcy court must
19 consider the following: (1) the probability of success in litigation; (2) any
20 difficulties to be encountered in the matter of collection; (3) the complexity of
21 litigation, including expense, inconvenience and delay necessarily attendant thereto;
22 and (4) the paramount interest of creditors and a proper deference to their
23 reasonable views. *In re A & C Properties*, 784 F.2d 1377 (9th Cir. 1986), *cert.*
24 *denied*, 479 U.S. 854 (1986) and *In re Woodson*, 839 F.2d 610 (9th Cir. 1988).

25 Likewise, a bankruptcy court is not required to decide the questions of law
26 and fact raised in the controversies sought to be settled, nor is it required to
27 determine whether the settlement presented is the best one that could possibly have
28 been achieved. Rather, it is sufficient that the settlement not fall “below the lowest

1 point in the zone of reasonableness.” *Newman v. Stein*, 464 F.2d 689, 698 (2d Cir.
2 1972), *cert. denied*, 409 U.S. 1039 (1972).

3 Under these standards and authorities, the settlement is reasonable and in the
4 best interests of the Receivership Estate, and should be approved. The IRS has
5 asserted that its tax claim has priority over the FTC and any other claims in the
6 Receivership Estate pursuant to, among other statutes, 31 U.S.C. § 3713. While the
7 Receiver has not conceded the validity of the IRS’s priority position, the Receiver
8 concedes that there is a substantial question and risk that the IRS would prevail in
9 that position. Such litigation would be time-consuming, costly and expensive and if
10 the IRS prevailed, the vast majority of the funds held by the Receivership Estate,
11 approximately \$20.4 million, would be paid to the IRS pursuant to these Claims.

12 Equally important, absent a settlement, even assuming for argument’s sake
13 that a determination were made subordinating the IRS Claims, or treating them pro
14 rata with other claims in the Receivership Estate, the Receiver would have a
15 substantial litigation dispute with Gould over the indemnity provisions found in
16 the Permanent Receivership Order, as well as the provisions of the letter agreement
17 filed April 20, 2000 by and among the FTC, the Intervenor, Gould and the
18 Receiver. Specifically, Gould has contended that under section IX.O of the
19 Permanent Receivership Order, the Receiver indemnifies and holds Gould
20 harmless from the federal tax obligations represented by the Claims.² While the
21 Receiver has not conceded that the scope of the indemnity would cover these
22 Claims, the Receiver recognizes that there is a great deal of uncertainty and risk
23 regarding this issue. If Gould is correct and the scope of the indemnity covers

24
25 ² Section IX.O provides, in pertinent part: “The Receiver assumes all obligations
26 . . . of Gould relating to any and all assets, Corporate Defendants, and Related
27 Entities that have been transferred to the Receiver, and agrees to indemnify and
28 hold harmless Gould from any claims, legal fees or expenses arising from such
obligations. This indemnification is limited to assets of the Receivership Estate.
For the purpose of this subsection, the term ‘obligations’ includes, but is not limited
to, federal . . . tax obligations that arise by virtue of possession, ownership, use or
sale of any asset by the Receiver. . . .”

1 these Claims, then, absent this Settlement Agreement, the IRS could pursue Gould
2 for any unpaid portions of the Claims and Gould could seek indemnification from
3 the assets in the Receivership Estate. In such event, the Receiver would still be
4 required to utilize most of the funds on hand in the Receivership Estate to satisfy
5 the indemnity obligation to Gould.

6 Therefore, if the IRS were able to successfully assert a priority in the estate
7 on its Claims or if Gould were able to successfully assert a right to indemnity
8 against the Receiver, the entirety of the Claims in the aggregate principal amount of
9 \$12,088,682.58, plus interest (and potentially penalties and other charges) would be
10 payable. Instead, all of these Claims are resolved for a payment of only 8.3% of the
11 face amount of the Claims.


12 Given the difficult issues raised by the IRS and Gould, the complexity of
13 the issues, the uncertainty and risk in litigating these issues, and the expense which
14 would be incurred in such litigation, a resolution of the IRS claims in their entirety
15 for only \$1 million represents a great benefit to the Receivership Estate. Without
16 the need to engage in costly and time-consuming litigation with the IRS or with
17 Gould, this settlement enables the Receiver to resolve all of the IRS tax liabilities.
18 This settlement enables the Receivership Estate to retain the vast majority of the
19 \$20.4 million on hand for payment to allowed claimants, almost all of which are
20 aggrieved distributors and paves the way for the Receiver to make a prompt
21 distribution to those claimants. Enabling the Receiver to finally wind-up the estate
22 and pay the creditors is another important benefit in approving the Settlement
23 Agreement after all of these years of delay.

1 **IV. CONCLUSION**

2 For the reasons set forth herein, the Receiver respectfully requests that this
3 Court grant this Motion and approve the Settlement Agreement in its entirety.
4

5 Dated: November 27, 2006

MCKENNA LONG & ALDRIDGE LLP
GARY OWEN CARIS
LESLEY ANNE HAWES

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8 By: 
9 Gary Owen Caris
10 Attorneys for Receiver
11 ROBB EVANS
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DECLARATION OF KENTON JOHNSON

I, Kenton Johnson, declare:

1. I am a deputy to Robb Evans, the permanent Receiver in this matter. I am also the Executive Vice President of Robb Evans & Associates LLC. I have personal knowledge of the matters set forth in this declaration or I have gained knowledge of these matters based upon my supervision of other members and staff of Robb Evans & Associates LLC who assist me in the day-to-day management of this receivership estate. If called upon to testify as to these matters, I could and would competently testify thereto.

2. The FTC and the States of Hawaii, Maryland, Nevada, North Carolina, Pennsylvania and South Carolina commenced this action on August 3, 1999. On September 14, 1999, the Court entered an order partially granting plaintiffs' motion for a preliminary injunction. On November 19, 1999, plaintiffs filed an amended complaint seeking a permanent injunction against Equinox International Corporation ("Equinox"), Gould, Advanced Marketing Seminars, Inc. and BG Management, Inc. and monetary redress for injuries suffered by current and former distributors of Equinox.

3. Previously, in January 1997, five individuals filed a lawsuit seeking damages and equitable relief for all distributors who had joined Equinox prior to January 7, 1997. The lawsuit was certified as a class action in October 1997, and the certification was upheld on appeal. In November 1999, the Court granted the class representatives permission to intervene in the within action. In March 2000, notice of the class action was mailed to persons who became Equinox distributors before January 7, 1997.

4. On April 20, 2000, the Court entered its Order Preliminarily Approving Stipulated Final Judgment and Class Action Settlement and Setting Fairness Hearing ("Permanent Receivership Order"). Among other things, the

1 Permanent Receivership Order appointed Robb Evans as Receiver of Equinox,
 2 Advanced Marketing Seminars, Inc., BG Management Services, Inc. and Related
 3 Entities as defined in the Permanent Receivership Order and as receiver of certain
 4 assets of Gould (collectively, the "Receivership Estate").

5 5. The IRS proposed the assessment of certain federal tax liabilities
 6 against certain of the Receivership Entities and Gould. These proposed liabilities
 7 are set forth in four proofs of claim submitted by the IRS to the Court on or about
 8 February 5, 2001 (the "Claims"). In the aggregate, the Claims describe nine
 9 different asserted tax liabilities against various receivership entities and Gould for
 10 the tax periods December 31, 1994 through December 31, 1997 in the aggregate
 11 face amount of \$12,088,682.58. These Claims are attached to the Settlement
 12 Agreement.

13 6. At or about the time that these Claims were submitted to the Court, the
 14 Receiver, the FTC and the IRS began discussing a potential resolution of the
 15 Claims. These settlement discussions have spanned over 5 1/2 years. Early in the
 16 discussions, it appeared appropriate to involve the DOJ in these negotiations given
 17 the fact that two United States agencies were essentially competing for the same
 18 pool of funds. The FTC's attorney successfully arranged for the DOJ to intervene
 19 in the dispute. The DOJ became actively involved in negotiating and finalizing the
 20 settlement. The Settlement Agreement has now been executed by all of the parties
 21 thereto.

22 7. After this extraordinarily lengthy negotiation, the DOJ, on behalf of
 23 the IRS, the FTC, Gould and the Receiver entered into the Settlement Agreement,
 24 a true and correct copy of which is attached hereto as Exhibit 1. Under the
 25 Settlement Agreement, within thirty days of receipt of notice of the Court's
 26 approval of the Settlement Agreement, the Receiver will pay \$1 million from the
 27 Receivership Estate to the IRS in exchange for which the IRS: (a) will abate all
 28 taxes set forth in the Claims; (b) will consider all such liabilities to be fully

1 compromised, released and discharged, including any associated penalties and
2 interest; (c) will not consider any portion of such liabilities to be unpaid; (d) will
3 not make any further adjustments or any claims with respect to any item of income,
4 deduction, credit, carry-forward or carryback, gain, basis, refund, loss or any other
5 tax attributes to the extent that such adjustments would affect the tax liability of the
6 taxpayers for the tax periods December 31, 1994 through December 31, 1997; and
7 (e) will release any liens securing such liabilities. The Settlement Agreement
8 further provides that the remaining assets of the Receivership Estate will only be
9 used to pay those expenses incurred by the Receiver in administering the
10 Receivership Estate, eligible creditors as determined by the Court, and investors
11 who suffered financial loss in connection with Equinox, as determined by the
12 Court. This settlement represents a payment of only 8.3% of the face amount of the
13 IRS Claims in full settlement. Because I am advised that the IRS contends that
14 interest accrues on these Claims, the actual settlement amount is for an even smaller
15 percentage of the total Claims.

16 8. The Receiver believes that under these standards and authorities, the
17 settlement is reasonable and in the best interests of the Receivership Estate, and
18 should be approved. I am advised that the IRS has asserted that its tax claim has
19 priority over the FTC and any other claims in the Receivership Estate pursuant to,
20 among other statutes, 31 U.S.C. § 3713. While the Receiver has not conceded the
21 validity of the IRS's priority position, the Receiver concedes that there is a
22 substantial question and risk that the IRS would prevail in that position. Such
23 litigation would be time-consuming, costly and expensive and if the IRS prevailed,
24 the vast majority of the funds held by the Receivership Estate, approximately \$20.4
25 million, would be paid to the IRS pursuant to these Claims.

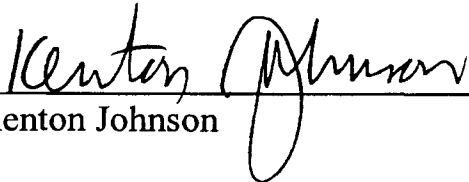
26 9. Equally important, absent a settlement, even assuming for argument's
27 sake that a determination were made subordinating the IRS Claims, or treating them
28 pro rata with other claims in the Receivership Estate, the Receiver would have a

1 substantial litigation dispute with Gould over the indemnity provisions found in
2 the Permanent Receivership Order, as well as the provisions of the letter agreement
3 filed April 20, 2000 by and among the FTC, the Intervenor, Gould and the
4 Receiver. Specifically, Gould has contended that under section IX.O of the
5 Permanent Receivership Order, the Receiver indemnifies and holds Gould
6 harmless from the federal tax obligations represented by the Claims. While the
7 Receiver has not conceded that the scope of the indemnity would cover these
8 Claims, the Receiver recognizes that there is a great deal of uncertainty and risk
9 regarding this issue. If Gould is correct and the scope of the indemnity covers
10 these Claims, then, absent this Settlement Agreement, the IRS could pursue Gould
11 for any unpaid portions of the Claims and Gould could seek indemnification from
12 the assets in the Receivership Estate. In such event, the Receiver would still be
13 required to utilize most of the funds on hand in the Receivership Estate to satisfy
14 the indemnity obligation to Gould.

15 10. Therefore, if the IRS were able to successfully assert a priority in the
16 estate on its Claims or if Gould were able to successfully assert a right to
17 indemnity against the Receiver, the entirety of the Claims in the aggregate principal
18 amount of \$12,088,682.58, plus interest (and potentially penalties and other
19 charges) would be payable. Instead, all of these Claims are resolved for a payment
20 of only 8.3% of the face amount of the Claims. Given the difficult issues raised by
21 the IRS and Gould, the complexity of the issues, the uncertainty and risk in
22 litigating these issues, and the expense which would be incurred in such litigation,
23 the Receiver believes that a resolution of the IRS claims in their entirety for only \$1
24 million represents a great benefit to the Receivership Estate. Without the need to
25 engage in costly and time-consuming litigation with the IRS or with Gould, this
26 settlement enables the Receiver to resolve all of the IRS tax liabilities. This
27 settlement enables the Receivership Estate to retain the vast majority of the \$20.4
28 million on hand for payment to allowed claimants, almost all of which are

1 aggrieved distributors and paves the way for the Receiver to make a prompt
2 distribution to those claimants. Enabling the Receiver to finally wind-up the estate
3 and pay the creditors is another important benefit in approving the Settlement
4 Agreement after all of these years of delay.

5 I declare under penalty of perjury that the foregoing is true and correct and
6 that this Declaration was executed on November 27, 2006 at Sun Valley, California.

7
8 
9 Kenton Johnson

PROOF OF SERVICE BY MAIL

STATE OF CALIFORNIA, COUNTY OF LOS ANGELES

I am employed in the aforesaid county, State of California; I am over the age of 18 years and not a party to the within action; my business address is **444 South Flower Street, Los Angeles, California 90071.**

On November 27, 2006, I served the **NOTICE OF MOTION AND MOTION FOR APPROVAL OF SETTLEMENT AGREEMENT BY AND AMONG THE U.S. DEPARTMENT OF JUSTICE, ON BEHALF OF THE INTERNAL REVENUE SERVICE, THE FEDERAL TRADE COMMISSION, BILL GOULDD, AND THE RECEIVER; MEMORANDUM OF POINTS AND AUTHORITIES AND DECLARATION OF KENTON JOHNSON IN SUPPORT THEREOF** on the interested parties in this action by placing the **true copy**/original thereof, enclosed in a sealed envelope, postage prepaid, addressed as follows:

SEE ATTACHED SERVICE LIST.

I am readily familiar with the business practice of my place of employment in respect to the collection and processing of correspondence, pleadings and notices for mailing with United States Postal Service.

The foregoing sealed envelope was placed for collection and mailing this date consistent with the ordinary business practice of my place of employment, so that it will be picked up this date with postage thereon fully prepaid at Los Angeles, California, in the ordinary course of such business.

☐ (STATE)

I declare under penalty of perjury under the laws of the State of California that the foregoing is true and correct.

☒ (FEDERAL)

I declare under penalty of perjury that the foregoing is true and correct, and that I am employed at the office of a member of the bar of this Court at whose direction the service was made.

Executed on November 27, 2006 at Los Angeles, California.


Signature

Pamela A. Coates
Print Name

SERVICE LIST

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Eugene J. Kottenstette, Esq.
Assistant City Attorney
Counsel for City and County of Denver
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Denver, CO 80202-5332

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